

## Message Text

SECRET

PAGE 01 MANAGU 04408 091810Z

43

ACTION ARA-10

INFO OCT-01 SS-14 ISO-00 NSC-10 NSCE-00 CIAE-00 INR-10

NSAE-00 RSC-01 L-02 PM-03 DODE-00 DRC-01 /052 W

----- 081489

P 091400Z NOV 73

FM AMEMBASSY MANAGUA

TO SECSTATE WASHDC PRIORITY 2858

AMEMBASSY GUATEMALA PRIORITY

AMEMBASSY PANAMA PRIORITY

AMEMBASSY SAN JOSE PRIORITY

AMEMBASSY SAN SALVADOR PRIORITY

AMEMBASSY TEGUCIGALPA PRIORITY

USCINCSOUTH PRIORITY

S E C R E T MANAGUA 4408

LIMDIS

E. O. 11652: GDS

TAGS: PFOR NU, HO, ES, GT

SUBJECT: DISCUSSION WITH GENERAL SOMOZA

1. GON GENERAL SOMOZA DISCUSSED WITH ME TODAY (NOVEMBER 7) HIS VISIT WITH SALVADORIAN PRESIDENT MOLINA ON NOVEMBER 6. SOMOZA SAID THAT MOLINA SEEMED "VERY MUCH IN CHARGE" OF SALVADORIAN AFFAIRS AND GAVE EVERY EVIDENCE OF BEING CONFIDENT AND FULLY AT EASE. SOMOZA REMARKED THAT HE EMPHASIZED THIS BECAUSE HE FELT THAT MOLINA WAS MUCH MORE CONFIDENT THAN ON A NUMBER OF PREVIOUS OCCASIONS ON WHICH HE HAD MET WITH HIM.

2. MOLINA ASKED SOMOZA TO LOWER THE FERRY RATES ON THE FERRY WHICH SOMOZA OPERATES BETWEEN NICARAGUA AND EL SALVADOR, AND SOMOZA AGREED TO THIS REDUCTION WHICH WILL BE ANNOUNCED AT A TIME WHICH WILL BE MOST ADVANTAGEOUS TO MOLINA.

3. MOLINA ALSO DISCUSSED THE PROBLEM THAT SALVADOR HAD WITH EXCESS TEXTILES AND WAS HOPEFUL THAT THE MARKET FOR SALVADOR TEXTILES COULD BE INCREASED.

SECRET

SECRET

PAGE 02 MANAGU 04408 091810Z

4. SOMOZA TOLD MOLINA THAT HE (SOMOZA) WAS DISTURBED OVER THE FACT THAT EL SALVADOR CONTINUED TO IMPORT MILK FROM OUTSIDE THE COMMON MARKET WHEN MILK WAS IN EXCESS SUPPLY IN NICARAGUA. MOLINA PROMISED TO LOOK INTO THIS MATTER IMMEDIATELY AND ATTEMPT TO INCREASE EL SALVADOR'S PURCHASES OF MILK FROM NICARAGUA.

5. TURNING TO POLITICAL MATTERS, SOMOZA SAID THAT MOLINA STATED THAT HE HAD DISMISSED HIS MINISTER OF AGRICULTURE, AND HIS MINISTER OF INDUSTRY AND COMMERCE, BECAUSE THEY WERE "PRESSING TOO HARD" FOR AGRARIAN REFORM "WITHOUT MAKING PROPER PREPARATION" AND WITHOUT A SOURCE OF THE FUNDS TO REIMBURSE LAND TO BE TAKEN OVER. SOMOZA INDICATED THAT MOLINA WRYLY REMARKED THAT THE SO-CALLED FOURTEEN FAMILIES "HAD TO BE TAKEN INTO ACCOUNT" IN CONNECTION WITH AGRARIAN REFORM, BUT THAT "HE WAS NOT ALLOWING THEM TO ESTABLISH A FIXED POLICY ON THIS SUBJECT".

6. SOMOZA SAID THAT MOLINA EXPRESSED HIS GREAT ANXIETY OVER THE NECESSITY OF ENDING THE BORDER DISPUTE WITH HONDURAS, AND ESTABLISHING

PEACEFUL RELATIONS BETWEEN EL SALVADOR AND HONDURAS. SOMOZA SAID THAT MOLINA STATED THAT THE DISCUSSIONS IN MEXICO "HAD ACCOMPLISHED NOTHING", AND THAT (MOLINA) "WAS CONVINCED THAT THIS MATTER COULD ONLY BE SETTLED DIRECTLY BETWEEN MOLINA AND LOPEZ WITH THE ASSISTANCE OF SOMOZA". SOMOZA SAID THAT MOLINA SAID THAT HE WAS FURTHER CONVINCED THAT THE LOWER LEVEL OFFICERS IN THE HONDURAN ARMY WERE PREPARED TO ACCEPT A REASONABLE SETTLEMENT, AND THAT IT WAS NECESSARY FOR LOPEZ AND HIM TO "OVERRIDE THE RECALCITRANT INDIVIDUALS AT THE MIDDLE LEVEL OF BOTH GOVERNMENTS AND REACH A PEACEFUL AGREEMENT". SOMOZA SAID THAT MOLINA ASKED HIM IF HE WOULD SET UP A MEETING IN NICARAGUA NEXT WEEK BETWEEN MOLINA, LOPEZ, AND HIMSELF, AND ALSO INVITE PRESIDENT ARANA OF GUATEMALA. SOMOZA SAID THAT HE AGREED TO DO SO, AND HE WAS PRESENTLY ATTEMPTING TO SET UP SUCH A MEETING FOR THE LATTER PART OF NEXT WEEK. MOLINA SAID THAT LOPEZ HAD BROUGHT UP THE SUBJECT OF MEANGRESSER (SP) ISLAND, BUT SOMOZA SAID THAT HE WAS HOPEFUL THAT HE COULD TALK LOPEZ OUT OF INTRODUCING THIS PARTICULAR ARGUMENTIVE SUBJECT IN THE SETTLEMENT DISCUSSIONS.

7. MOLINA ASKED SOMOZA TO ADVISE GENERAL LOPEZ THAT THE SALVADORIAN ARMY WOULD CARRY ON MANEUVERS BETWEEN NOVEMBER 12 AND 15 AND  
SECRET

SECRET

PAGE 03 MANAGU 04408 091810Z

TO ASSURE LOPEZ THEY HAD NO BELLIGERENT INTENT.

8. WHILE I WAS TALKING WITH SOMOZA, PRESIDENT MOLINA TELEPHONED TO ADVISE SOMOZA THAT HE HAD CANCELLED THE SALVADORIAN BASEBALL TEAM WHICH WAS GOING TO GO TO CUBA, AND WAS SENDING THE TEAM TO NICARAGUA INSTEAD. HE ALSO REITERATED DURING THE TELEPHONE CONVERSATION HIS DESIRE TO MEET WITH LOPEZ AS QUICKLY AS POSSIBLE. SOMOZA ASSURED HIM THAT HE WAS WORKING ON SETTING UP THE MEETING AT THE

PRESENT TIME, AND WAS HOPEFUL THAT IT COULD BE ESTABLISHED FOR NEXT WEEK.

9. DURING THE COURSE OF THE DISCUSSION, SOMOZA STATED THAT MOLINA INDICATED THAT HE STILL BELIEVED THAT THE ISRAELIS WOULD BE IN A POSITION TO DELIVER THE AIRPLANES WHICH HE HAD PURCHASED FROM THEM AT WHAT HE SAID WAS "A VERY REASONABLE PRICE". MOLINA SAID THAT IT WAS HIS UNDERSTANDING THAT THESE AIRPLANES WERE NOT INVOLVED IN THE RECENT ISRAELI-ARAB HOSTILITIES. MOLINA SAID THAT HE WAS EXTREMELY EMBARRASS-

ED BY THE FACT THAT ARANA HAD FAILED TO TELL LOPEZ ABOUT HIS PROSPECTIVE PURCHASE OF THESE AIRCRAFT, AS HE HAD ASKED ARANA TO DO AND THAT HE HAD TOLD ARANA THAT HE DID NOT "APPRECIATE THIS OVERSIGHT" WHICH HAD PLACED HIM A VERY DIFFICULT POSITION. MOLINA ALSO TOLD SOMOZA THAT THE

U.S. GOVERNMENT HAD OFFERED AIRCRAFT TO SALVADOR ON CREDIT TERMS, BUT THAT PRESENTLY HE CONSIDERED THE PRICE EXCESSIVE, AND WAS STILL HOPEFUL OF OBTAINING THE AIRCRAFT WHICH HE HAD PURCHASED FROM ISRAEL. MOLINA SAID THAT THE BASIC REASON FOR PURCHASING THESE AIRCRAFT WAS THAT THE MORALE OF HIS AIR FORCE MADE THE PURCHASE OF AIRCRAFT ESSENTIAL, BUT HE EMPHASIZED HE WISHED TO AVOID EXCESSIVE EXPENDITURES.

10. GENERAL SOMOZA, AFTER HIS TALK OF APPROXIMATELY TEN DAYS AGO WITH GENERAL LOPEZ AND HIS DISCUSSION WITH PRESIDENT MOLINA YESTERDAY, APPEARED TO FEEL A DEGREE OF OPTIMISM REGARDING THE POSSIBILITY OF ASSISTING IN THE RESOLUTION OF THE CURRENT DIFFICULTIES

EXISTING BETWEEN HONDURAS AND EL SALVADOR AND PROMISED TO KEEP ME FULLY INFORMED OF DEVELOPMENTS.  
SHELTON

SECRET

NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 NOV 1973  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** elyme  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973MANAGU04408  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** n/a  
**From:** MANAGUA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19731144/aaaabgib.tel  
**Line Count:** 146  
**Locator:** TEXT ON-LINE  
**Office:** ACTION ARA  
**Original Classification:** SECRET  
**Original Handling Restrictions:** LIMDIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** SECRET  
**Previous Handling Restrictions:** LIMDIS  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** elyme  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 23 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <23-Jan-2002 by martinml>; APPROVED <12 FEB 2002 by elyme>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DISCUSSION WITH GENERAL SOMOZA  
**TAGS:** PFOR, NU, HO, ES, GT  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005